3510-DS-P

#### **DEPARTMENT OF COMMERCE**

**International Trade Administration** 

[A-580-870]

Certain Oil Country Tubular Goods from the Republic of Korea: Preliminary Results of Antidumping Duty Administrative Review and Preliminary Determination of No Shipments; 2019-2020

**AGENCY:** Enforcement and Compliance, International Trade Administration, Department of Commerce.

SUMMARY: The Department of Commerce (Commerce) preliminarily finds that certain oil country tubular goods (OCTG) from the Republic of Korea (Korea) were sold in the United States at prices below normal value. The period of review (POR) is September 1, 2019, through August 31, 2020. Interested parties are invited to comment on these preliminary results.

DATES: Applicable [INSERT DATE OF PUBLICATION IN THE FEDERAL REGISTER].

FOR FURTHER INFORMATION CONTACT: Davina Friedmann, Mark Flessner, or Frank Schmitt, AD/CVD Operations, Office VI, Enforcement and Compliance, International Trade Administration, U.S. Department of Commerce, 1401 Constitution Avenue, NW, Washington, DC 20230; telephone: (202) 482-0698, (202) 482-6312, or (202) 482-4880, respectively.

#### **SUPPLEMENTARY INFORMATION:**

#### Background

These preliminary results are made in accordance with section 733(b) of the Tariff Act of 1930, as amended (the Act). Commerce published the notice of initiation of this administrative review on October 30, 2020.<sup>1</sup> Commerce selected Hyundai Steel Company (Hyundai Steel) and SeAH Steel Corporation (SeAH) as the two mandatory respondents in this review.<sup>2</sup> On April 29,

<sup>1</sup> See Initiation of Antidumping and Countervailing Duty Administrative Reviews, 85 FR 68840 (October 30, 2020).

<sup>&</sup>lt;sup>2</sup> See Memorandum, "2019-2020 Administrative Review of the Antidumping Duty Order on Oil Country Tubular Goods from the Republic of Korea: Respondent Selection," dated December 18, 2020.

2021, in accordance with section 751(a)(3)(A) of the Act, Commerce extended the preliminary results of review by 120 days, until September 30, 2021.<sup>3</sup>

For a complete description of the events that followed the initiation of this administrative review, *see* the Preliminary Decision Memorandum.<sup>4</sup> A list of topics included in the Preliminary Decision Memorandum is included as Appendix I to this notice. The Preliminary Decision Memorandum is a public document and is on file electronically via Enforcement and Compliance's Antidumping and Countervailing Duty Centralized Electronic Service System (ACCESS). ACCESS is available to registered users at https://access.trade.gov. In addition, a complete version of the Preliminary Decision Memorandum can be accessed directly at http://enforcement.trade.gov/frn/.

## Scope of the Order

The product covered by the *Order*<sup>5</sup> is OCTG from Korea. For a complete description of the scope of the *Order*, see the Preliminary Decision Memorandum.

## Methodology

Commerce is conducting this administrative review in accordance with section 751(a)(2) of the Act. Commerce has calculated export prices in accordance with section 772(a) of the Act. Constructed export prices have been calculated in accordance with section 772(b) of the Act. Normal value (NV) is calculated in accordance with section 773 of the Act. Commerce preliminarily does not find that a cost-based particular market situation existed in Korea during the POR.<sup>6</sup> For a full description of the methodology underlying our conclusions, *see* the Preliminary Decision Memorandum.

<sup>&</sup>lt;sup>3</sup> See Memorandum, "Oil Country Tubular Goods from the Republic of Korea: Extension of Time Limit for Preliminary Results of Antidumping Duty Administrative Review, 2019-20," dated April 29, 2021.

<sup>&</sup>lt;sup>4</sup> See Memorandum, "Decision Memorandum for the Preliminary Results of the 2019-2020 Administrative Review of Oil Country Tubular Goods from the Republic of Korea" dated concurrently with, and hereby adopted by, this notice (Preliminary Decision Memorandum).

<sup>&</sup>lt;sup>5</sup> See Certain Oil Country Tubular Goods from India, the Republic of Korea, Taiwan, the Republic of Turkey, and the Socialist Republic of Vietnam: Antidumping Duty Orders; and Certain Oil Country Tubular Goods from the Socialist Republic of Vietnam: Amended Final Determination of Sales at Less Than Fair Value, 79 FR 53691 (September 10, 2014) (Order).

 $<sup>^6</sup>$  For a complete discussion, see Preliminary Decision Memorandum at 15-28.

#### Preliminary Determination of No Shipments

On November 25, 2020, HiSteel Co., Ltd. (HiSteel) submitted a letter certifying that it had no exports or sales of subject merchandise into the United States during the POR.<sup>7</sup> U.S. Customs and Border Protection (CBP) did not have any information to contradict this claim of no shipments during the POR.<sup>8</sup> Therefore, we preliminarily determine that HiSteel did not have any shipments of subject merchandise during the POR. Consistent with Commerce's practice, we will not rescind the review with respect to HiSteel but will complete the review and issue instructions to CBP based on the final results.<sup>9</sup>

### Rates for Non-Examined Companies

The statute and Commerce's regulations do not address the rate to be applied to companies not selected for examination when Commerce limits its examination in an administrative review pursuant to section 777A(c)(2) of the Act. Generally, Commerce looks to section 735(c)(5) of the Act, which provides instructions for calculating the all-others rate in a market economy investigation, for guidance when calculating the rate for companies which were not selected for individual examination in an administrative review. Under section 735(c)(5)(A) of the Act, the all-others rate is normally "an amount equal to the weighted average of the estimated weighted-average dumping margins established for exporters and producers individually investigated, excluding any zero or *de minimis* margins, and any margins determined entirely {on the basis of facts available}."

In this review, we preliminarily calculated dumping margins for the two mandatory respondents, Hyundai Steel and SeAH, of 19.38 and 3.85 percent, respectively, and we have

<sup>&</sup>lt;sup>7</sup>See HiSteel's Letter, "Administrative Review of the Antidumping Order on Oil Country Tubular Goods from Korea for the 2019-20 Review Period – No Shipments Letter," dated November 25, 2020.

<sup>&</sup>lt;sup>8</sup> See Memorandum, "Certain Oil Country Tubular Goods from the Republic of Korea 2019-20: No Shipment Inquiry for HiSteel Co., Ltd., During the Period 09/01/2019 through 08/31/2020," dated September 27, 2021.

<sup>&</sup>lt;sup>9</sup> See, e.g., Certain Frozen Warmwater Shrimp from Thailand; Preliminary Results of Antidumping Duty Administrative Review, Partial Rescission of Review, Preliminary Determination of No Shipments; 2012–2013, 79 FR 15951, 15952 (March 24, 2014), unchanged in Certain Frozen Warmwater Shrimp from Thailand: Final Results of Antidumping Duty Administrative Review, Final Determination of No Shipments, and Partial Rescission of Review; 2012–2013, 79 FR 51306, 51307 (August 28, 2014).

assigned to the non-selected companies a rate of 11.62 percent, which is the simple average of Hyundai Steel's and SeAH's margins.<sup>10</sup>

## Preliminary Results of Review

Commerce preliminarily finds that, for the period September 1, 2019, through August 31, 2020, the following weighted-average dumping margins exist:

Exporter/Producer	Estimated Weighted-Average Dumping Margin (percent)
Hyundai Steel Company	19.38
SeAH Steel Corporation	3.85
Non-examined companies <sup>11</sup>	11.62

## Disclosure, Public Comment, and Opportunity to Request a Hearing

We intend to disclose the calculations performed for these preliminary results of review to interested parties within five days of the date of publication of this notice in accordance with 19 CFR 351.224(b). Pursuant to 19 CFR 351.309(c), interested parties may submit case briefs no later than 30 days after the date of publication of this notice. Rebuttal briefs, the content of which is limited to issues raised in the case briefs, may be filed no later than seven days after the date for filing case briefs. Parties who submit case briefs or rebuttal briefs in this proceeding are encouraged to submit with each argument: (1) a statement of the issue; (2) a brief summary of the argument; and (3) a table of authorities. Executive summaries should be limited to five pages total, including footnotes. Case and rebuttal briefs should be filed using ACCESS<sup>14</sup> and must be served on interested parties. An electronically filed document must be received

<sup>12</sup> See 19 CFR 351.309(d).

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<sup>&</sup>lt;sup>10</sup> Commerce was unable to compare a simple average to a weighted-average relative to publicly available data because public data for volume of U.S. sales were not available for both respondents.

<sup>&</sup>lt;sup>11</sup> See Appendix II.

<sup>&</sup>lt;sup>13</sup> See 19 CFR 351.309(c)(2) and (d)(2).

<sup>&</sup>lt;sup>14</sup> See generally 19 CFR 351.303.

<sup>&</sup>lt;sup>15</sup> See 19 CFR 351.303(f).

successfully in its entirety by Commerce's electronic records system, ACCESS, by 5:00 p.m. Eastern Time on the date that the document is due.

Pursuant to 19 CFR 351.310(c), interested parties who wish to request a hearing must submit a written request to the Assistant Secretary for Enforcement and Compliance, filed electronically via Commerce's electronic records system, ACCESS. An electronically filed request must be received successfully in its entirety by 5:00 p.m. Eastern Time within 30 days of the date of publication of this notice. Requests should contain: (1) the party's name, address and telephone number; (2) the number of participants; and (3) a list of issues parties intend to discuss. Issues raised in the hearing will be limited to those raised in the respective case and rebuttal briefs. If a request for a hearing is made, Commerce intends to hold the hearing at a time and date to be determined. Parties should confirm the date, time, and location of the hearing two days before the scheduled date.

Pursuant to Section 751(a)(2)(B)(iv) of the Act and 19 CFR 351.213(h)(2), Commerce intends to issue the final results of this administrative review, including the results of its analysis of the issues raised in any case or rebuttal briefs, no later than 120 days after the date of publication of this notice, unless extended.<sup>18</sup>

#### Assessment Rates

Upon issuance of the final results, Commerce shall determine, and CBP shall assess, antidumping duties on all appropriate entries covered by this review.<sup>19</sup>

For any individually examined respondents whose weighted-average dumping margin is above *de minimis* (*i.e.*, greater than or equal to 0.5 percent) in the final results of this review, we will calculate importer-specific *ad valorem* duty assessment rates based on the ratio of the total amount of antidumping duties calculated for the examined sales to the total entered value of the

<sup>&</sup>lt;sup>16</sup> See 19 CFR 351.310(c).

<sup>&</sup>lt;sup>17</sup> See 19 CFR 351.310(d).

<sup>&</sup>lt;sup>18</sup> See section 751(a)(3)(A) of the Act and 19 CFR 351.213(h).

<sup>&</sup>lt;sup>19</sup> See 19 CFR 351.212(b)(1).

examined sales to that importer, and we will instruct CBP to assess antidumping duties on all appropriate entries covered by this review. For entries of subject merchandise during the POR produced by each respondent for which it did not know its merchandise was destined for the United States, we will instruct CBP to liquidate such entries at the all-others rate if there is no rate for the intermediate company(ies) involved in the transaction. Where the individually-selected respondent's weighted-average dumping margin is zero or *de minimis*, or an importer-specific assessment rate is zero or *de minimis*, we will instruct CBP to liquidate the appropriate entries without regard to antidumping duties.

For the companies which were not selected for individual review, we intend to assign an assessment rate based on the methodology described in the "Rates for Non-Examined Companies" section. The final results of this review shall be the basis for the assessment of antidumping duties on entries of merchandise covered by this review where applicable.

Commerce intends to issue assessment instructions to CBP no earlier than 35 days after the date of publication of the final results of this review in the *Federal Register*.<sup>21</sup> If a timely summons is filed at the U.S. Court of International Trade, the assessment instructions will direct CBP not to liquidate relevant entries until the time for parties to file a request for a statutory injunction has expired (*i.e.*, within 90 days of publication).

### Cash Deposit Requirements

The following cash deposit requirements will be effective upon publication of the notice of final results of this administrative review for all shipments of the subject merchandise entered, or withdrawn from warehouse, for consumption on or after the date of publication, as provided by section 751(a)(2) of the Act: (1) the cash deposit rate for the companies listed in the final results of review will be equal to the weighted-average dumping margin established in the final

<sup>&</sup>lt;sup>20</sup> For a full discussion of this clarification, see *Antidumping and Countervailing Duty Proceedings: Assessment of Antidumping Duties*, 68 FR 23954 (May 6, 2003).

<sup>&</sup>lt;sup>21</sup> See Notice of Discontinuation of Policy to Issue Liquidation Instructions After 15 Days in Applicable Antidumping and Countervailing Duty Administrative Proceedings, 86 FR 884 (January 15, 2021).

results of this administrative review; (2) for merchandise exported by producers or exporters not covered in this review but covered in a prior segment of the proceeding, the cash deposit rate will continue to be the company-specific rate published for the most recently completed segment of this proceeding in which they were reviewed; (3) if the exporter is not a firm covered in this review, a prior review, or the original investigation but the producer is, then the cash deposit rate will be the rate established for the most recently completed segment of this proceeding for the producer of the merchandise; (4) the cash deposit rate for all other producers or exporters will continue to be 5.24 percent, the all-others rate established in the less-than-fair-value investigation.<sup>22</sup> These cash deposit requirements, when imposed, shall remain in effect until further notice.

## Notification to Importers

This notice serves as a preliminary reminder to importers of their responsibility under 19 CFR 351.402(f)(2) to file a certificate regarding the reimbursement of antidumping duties prior to liquidation of the relevant entries during this POR. Failure to comply with this requirement could result in Commerce's presumption that reimbursement of antidumping duties occurred and the subsequent assessment of double antidumping duties.

#### Notification to Interested Parties

The preliminary results of this administrative review are issued and published in accordance with sections 751(a)(1) and 777(i)(1) of the Act, and 19 CFR 351.221(b)(4). Dated: September 29, 2021.

Christian Marsh,

Acting Assistant Secretary for Enforcement and Compliance.

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<sup>&</sup>lt;sup>22</sup> See Certain Oil Country Tubular Goods from the Republic of Korea: Notice of Court Decision Not in Harmony With Final Determination, 81 FR 59603 (August 30, 2016).

# Appendix I

# List of Topics Discussed in the Preliminary Decision Memorandum

- I. Summary
- II. Background
- III. Scope of the *Order*
- IV. Rates for Non-Examined Companies
- V. Preliminary Determination of No Shipments
- VI. Affiliation
- VII. Discussion of the Methodology
- VIII. Currency Conversion
  - IX. Recommendation

#### **Appendix II**

#### **List of Companies Not Individually Examined**

- 1. AJU Besteel Co., Ltd.
- 2. DB Inc.
- 3. Dong-A Steel Co., Ltd.
- 4. FM Oilfield Services Solutions LLC
- 5. Hengyang Steel Tube Group International Trading Inc.
- 6. Husteel Co., Ltd.
- 7. Hyundai Corporation
- 8. Hyundai Heavy Industries Co., Ltd.
- 9. ILJIN Steel Corporation
- 10. K Steel Corporation
- 11. KASCO
- 12. Kenwoo Metals Co., Ltd.
- 13. Kukje Steel Co., Ltd.
- 14. Kumkang Kind Co., Ltd.
- 15. Kumsoo Connecting Co., Ltd.
- 16. Master Steel Corporation
- 17. NEXTEEL Co., Ltd.
- 18. POSCO International Corporation
- 19. Pusan Coupling Corporation
- 20. Pusan Fitting Corporation
- 21. Sang Shin Industrial Co., Ltd. (a.k.a. SIC Tube Co., Ltd.)
- 22. SeAH Changwon Integrated Special Steel Co., Ltd.
- 23. Shin Steel Co., Ltd.
- 24. Sichuan Y&J Industries Co. Ltd.
- 25. Steel-A Co., Ltd.
- 26. Sungwon Steel Co., Ltd.
- 27. TGS Pipe Co., Ltd.
- 28. TJ Glovsteel Co., Ltd.
- 29. TPC Co., Ltd.
- 30. T-Tube Co., Ltd.

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